

C. SNF & ICF - Special Class – Arkansas Health Center Nursing Facility

1. Reimbursement Methodology

The Arkansas Health Center Nursing Facility will be reimbursed on an actual cost reimbursement system with provisions for retrospective adjustments to ensure reimbursement of actual allowable and reasonable costs. The facility will have an interim per diem rate established based on the most recent semi-annual cost report. This interim per diem rate will be adjusted retrospectively as a result of actual costs for that semi-annual cost reporting period. The per diem will be calculated by dividing actual allowable cost by resident days for the cost reporting period. The per diem rate shall be changed as a result of adjustments to the semi-annual cost reports resulting from provider corrections, desk reviews, or audits, and will be retrospectively adjusted to the first day of the applicable cost report period.

2. Overpayments/Underpayments

Overpayments/underpayments resulting from Section 1-12 administrative errors shall be handled through the vendor payment by recouping overpayments and reimbursing underpayments.